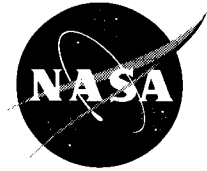


Headquarters

Washington, DC 20546-0001



September 29, 2004

Reply to Attn of:

Office of the General Counsel

TO: Distribution

FROM: Alternate Designated Agency Ethics Official

SUBJECT: Ansari X Prize Launch Competition

On September 29, 2004, the X Prize Foundation will sponsor the first in a series of three launches in the Ansari X Prize Competition. Some of the most talented entrepreneurs and rocket experts in the world will compete for the prize. The guidelines of the competition are to finance, build and launch a spaceship able to carry three people to 100 kilometers (62.5 miles), return safely to Earth and repeat the launch with the same vehicle within two weeks. Some of the benefits to society that would be derived from the competition are inspiring and educating students, low-cost satellite launch, and space tourism.

The competition would be widely attended by officials from other Federal agencies, members of the media, representatives from the aerospace industry and various aerospace associations. The estimated cost of the event which includes all food and beverages, is \$20 per person. The competition is open to the public so over 100 people are anticipated to attend. As such, I find that the launch competition meets the requirements of a "widely-attended gathering" as defined in 5 CFR § 2635.204(g). I, therefore, conclude that NASA's interest in its employees attending this event outweighs any concern that free attendance may, or may appear to, improperly influence NASA employees in the performance of their official duties.

Accordingly, NASA invitees and their spouses or guests may attend the launch hosted by X Prize Foundation on September 29, 2004.

A handwritten signature in black ink, appearing to read "R. Andrew Falcon", with a long, sweeping horizontal line extending to the right.

R. Andrew Falcon